

Message Text

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SUBJECT: PRAVDA ARTICLE ON US-SOVIET ECONOMIC COMPETITION

1. SUMMARY AND COMMENT - PRAVDA FEBRUARY 13 PUBLISHES EXCEPTIONALLY HARD-LINE, AGGRESSIVE ANALYSIS OF ECONOMIC COMPETITION BETWEEN UNITED STATES AND SOVIET UNION WRITTEN BY AMERICAN COMMUNIST VICTOR PERLO. IN STYLE, TONE AND OCCASIONALLY IN CONTENT ARTICLE IS MORE SUITED TO NEW YORK DAILY WORKER OF THE 1930'S THAN PRAVDA IN EARLY 1970'S, BUT ITS APPEARANCE IS NOT OUT OF LINE WITH SOME OF THE ANTI-US JABS WHICH HAVE BEEN PREVALENT IN SOVIET PRESS OVER PAST SEVERAL WEEKS. IT IS ALSO LATEST IN SERIES OF STRONGLY POLEMIC, DEFENSIVE ARTICLES ON SOVIET ECONOMY VERSUS THE WEST TO APPEAR IN PRAVDA AND IZVESTIYA.

2. OVERALL THRUST IS THAT USSR AND SOCIALIST SYSTEM RAPIDLY OVERTAKING US IN ACROSS-THE-BOARD INDUSTRIAL OUTPUT AND TECHNICAL PROGRESS, AND SHOULD ACTUALLY BE "ALMOST" ON PAR WITH US BY 1980. THIS VICTORY WILL BE ACHIEVED DESPITE TREMENDOUS ADVANTAGES US HAS HAD -- HEADSTART IN INDUSTRIAL DEVELOPMENT BEFORE WORLD WAR II, NO SERIOUS ECONOMIC LOSSES DURING WORLD WAR II, MASSIVE WAVES OF SKILLED IMMIGRANTS FLEEING FROM FASCISM AND POST WORLD WAR II IMPORTS

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OF TALENT THROUGH "BRAIN DRAIN" FROM OTHER COUNTRIES. PERLO

REPEATEDLY MAKES IT CLEAR THAT USSR WITH ITS SOCIALIST SYSTEM IS OBVIOUSLY SUPERIOR OF TWO CONTENDERS. INEVITABILITY OF EVENTUAL US DEFEAT IS IMPLICIT EVEN THOUGH NOT SPECIFICALLY PREDICTED. UNABLE TO DESTROY SOCIALISM BY MILITARY MEANS, IMPERIALISTS (AMONG WHOM ARE AMERICANS) HAVE CONTINUED STRUGGLE THROUGH COM-PETITION IN ECONOMIC AREA. HERE, PERLO EXPLAINS, THEY HAVE RECENTLY BEEN SLOWED DOWN BY INFLATION, CLASS CONFLICTS, BALANCE-OF-PAYMENT DEFICITS, POLITICAL CORRUPTION AND MUNICIPAL BANKRUPTCIES.

3. DETENTE, INCLUDING ECONOMIC COOPERATION BETWEEN TWO SYSTEMS UNDER CONDITIONS OF PEACE AND DISARMAMENT, IS MUTUALLY ADVANTAGEOUS FOR PEOPLE OF BOTH COUNTRIES. UNFORTUNATELY, RIGHT-WING ELEMENTS IN US ARE STILL POWERFUL ENOUGH TO LIMIT MOVES TOWARD IMPROVED ECONOMIC RELATIONS WITH USSR WHICH WOULD GREATLY HELP US WORKERS. BUT MANY OF MEASURES TAKEN BY REACTIONARIES ARE REBOUNDING AGAINST THEM. IN MEANTIME, ECONOMIC COMPETITION CONTINUES. IT IS MUTUALLY ADVANTAGEOUS FOR BOTH SIDES BUT, OF COURSE, SOCIALIST VICTORIES BENEFIT ALL PEOPLE AND TIME WILL REVEAL WHICH IS THE STRONGER. END SUMMARY AND COMMENT

4. SOME OF PERLO'S MAIN POINTS, ILLUSTRATED BY DIRECT QUOTES, FOLLOW:

(A) USSR WILL BE ON ABOUT SAME INDUSTRIAL LEVEL AS US BY 1980. "VOLUME OF PRODUCTION BY RUSSIAN INDUSTRY IN 1913 WAS ONE EIGHTH OVLUME OF AMERICAN PRODUCTION; ... IN 1950 ... 30 PERCENT... IN 1974 80 PERCENT. WHEN USSR FULFILLS TENTH FIVE-YEAR PLAN, AND WHEN US PRODUCTION, AS ENVISAGED BY OFFICIAL FORECAST, RECOVERS, OVERALL VOLUME OF PRODUCTION IN TWO COUNTRIES IN 1980 WILL BE ALMOST EQUAL."

(B) SUPERIORITY OF SOCIALIST SYSTEM - "OPERATION OF ECONOMIC LAWS OF TWO SYSTEMS LEAVES NO DOUBT THAT SOCIALISM OVER SHORT PERIOD OF HISTORY IS LEADING FORCE IN WORLD ECONOMY... SOCIALIST COUNTRIES IN COMPETITION WITH CAPITALISM ARE SUPPORTED BY PERMANENT ADVANTAGES OF THEIR ECONOMIC AND SOCIAL SYSTEM... EACH SUCCESS OF SOCIALISM, A HISTORICALLY MATURE, PROGRESSIVE SOCIAL SYSTEM, IS SUCCESS FOR ALL PEOPLES."

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(C) AMERICAN WEAKNESSES AND DISADVANTAGES - "CONFLICTS (IN AMERICAN CAPITALISM) STEMMING FROM CRISIS AND SLOWDOWN OF ECONOMIC GROWTH ARE MORE AND MORE APPARENT, AND CAPITALIST CLASSES, MORE AND MORE OPENLY, TRY TO LOWER LIVING STANDARDS OF THE MASSES OF WORKERS, THEREBY INCREASING INSTABILITY OF ECONOMY... (AMERICAN) WORKERS, RECEIVING NO ADVANTAGES FROM AMERICAN CAPITALIST SYSTEM, ARE INCREASINGLY HOSTILE TO IT.

THEY OPPOSE ATTEMPTS OF ENTREPRENEURS TO INCREASE PRODUCTION
THROUGH INHUMAN INTENSIFICATION OF LABOR, DISREGARD OF SAFETY
PROCEDURES, AND MANY HOURS OF OVERTIME WORK ... TENS OF MILLIONS
OF NEGROES AND MEMBERS OF OTHER MINORITIES FIGHT AGAINST
DISCRIMINATION."

(D) DIFFERENCE IN SOVIET AND US POLICIES ON NATURAL RESOURCES -
"IMPORTANT ADVANTAGE FOR USSR IS SELF-SUFFICIENCY IN ALMOST
ALL BASIC RAW MATERIALS. THIS IS NOT JUST GIFT OF
NATURE ... (BUT) RESULT OF PERSISTENT EFFORTS OF SOVIET
PEOPLE TO SURVEY AND DEVELOP BASIC RESOURCES (AND NOT) ROBBERY
OF NATURAL WEALTH FROM OTHER COUNTRIES... LAWS OF
IMPERIALISM... LEAD AMERICAN MONOPOLIES TO REDUCE INTENSIVE
DEVELOPMENT OF (AMERICAN) INTERNAL RESOURCES AND TO TRY TO
GET MAXIMUM PROFITS BY ROBBING RAW MATERIAL WEALTH OF OTHER
COUNTRIES...(BUT) NATIONAL LIBERATION MOVEMENTS (ARE STOPPING
THIS ROBBERY) AND FORCING AMERICAN COMPANIES TO PAY MORE
REALISTIC PRICES FOR IMPORTED MATERIALS."

(E) US-SOVIET ECONOMIC COOPERATION DURING COMPETITION -
"LOGICALLY, COMPETITION MUST HARMONIZE WITH
COOPERATION IN ECONOMIC AND OTHER PEACEFUL AREAS IN ORDER TO
GIVE EACH SYSTEM OPPORTUNITY TO DEMONSTRATE HOW IT IS BEST
ABLE TO SATISFY NEEDS OF MANKIND... SUCH APPROACH (APPEALS)
TO ALL SERIOUS PEOPLE, AMONG THEM MANY AMERICANS, BOURGEOIS
GOVERNMENTS. BUT THERE ARE GROUPS IN AMERICAN MONOPOLY SYSTEM
WHO VIEW ECONOMIC COMPETITION AS FORM OF ECONOMIC WAR, COMBINED
WITH A CONSTANT THREAT OF RETURN TO MILITARY CONFLICT. SUCH
APPROACH DOMINATED US POLICY UNTIL NOT VERY LONG AGO...
ADHERENTS OF THIS APPROACH ARE STILL VERY STRONG."

(F) DETENTE - "RELAXATION OF INTERNATIONAL TENSIONS
HAS CAUSED NOTICEABLE EXPANSION OF MUTUALLY ADVANTAGEOUS TIES
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BETWEEN EUROPEAN SOCIALIST AND CAPITALIST COUNTRIES. BUT
THIS PROCESS IS UP TO NOW ... IN THE BEGINNING STAGES BETWEEN
USSR AND US... RIGHTWING FORCES IN USA STILL HAVE POWER TO
PREVENT DEVELOPMENT OF TRADE, ACCELERATE ARMS RACE, RUDELY
INTERFERE IN INTERNAL AFFAIRS OF OTHER COUNTRIES, AND CONDUCT
UNBRIDLED, SLANDEROUS ANTI-SOVIET CAMPAIGN... (AMERICAN)
WORKERS BENEFIT MOST FROM US-SOVIET ECONOMIC COOPERATION...
(AND) EASING OF INTERNATIONAL TENSION WILL DEPRIVE REACTIONARIES
OF THEIR MAIN POLITICAL WEAPON - ANTI-COMMUNISM, WITH
POSSIBILITY OF DIRECTING FUNDS FROM PENTAGON AND CIA TO SOCIAL
NEEDS."
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